

28 JAN 1969

Grinding It Out

AP, UPI Fight Fiercely For Front-Page Space As They Cover World

But Decline of Big Dailies, Cost of Crisis-Reporting, New Rivals Pose Problems

The View From Pierre, S.D.

By A. KENT MACDOUGALL

Staff Reporter of THE WALL STREET JOURNAL

Merriman Smith is the White House correspondent for United Press International. He rides in Presidential motorcades. He says "Thank you, Mr. President" to end press conferences. To beat the competition on a Presidential trip to the Philippines he once dictated a story via walkie-talkie while perched in a tree. His byline appears in newspapers the world over. "I have a front-row seat at history," he says.

Gary Drewes is the bureau manager of the one-man UPI bureau at Pierre, S.D. He seldom gets far from his one-room office. He does much of his work by phone. Even if a plane crashes in his territory, he covers it by phone. The only paper his work regularly appears in is the Deadwood-Lead Pioneer-Times & Call. One of his daily chores is to phone in for the water level and discharge at five local reservoirs. "I'm getting sick of reservoirs," he says.

That's the way the wire services operate. They cover the globe, telling the world of war and peace and fishermen or reservoir levels. The two major U.S. services — United Press International and Associated Press provide Americans with 75% of the state, national and international news they read in papers and listen to on radio and television. They fight each other fiercely for front-page space and air time.

The reporters work under pressure, and they make a lot of mistakes. (Last fall, for instance, the AP incorrectly began a dispatch: "Franco was forced into devaluation of its franc Friday . . .") They have clients of all political leanings, and they try to be as neutral and fair—some say bland—as possible. They are chronically understaffed, especially UPI, so few reporters have time to think about and interpret the events they cover.

Yet, says Gordon Pates, managing editor of the San Francisco Chronicle, "both services do pretty well under trying circumstances."

The Power of the Press

The wire services have the power to shrink an event into insignificance or blow it up into fame or infamy. Twice daily each service prepares a list of stories, called the news budget, which most newspapers and broadcasters—especially outside the biggest cities—rely on in evaluating the day's news. In following the budget's judgments and giving the biggest headline to the top budget story, a newspaper editor has the comforting knowledge that he's in step with hundreds of other editors.

The services are so vital to a newspaper that only a handful of the nation's 1,754 dailies try to get along without at least one of the wire services. More than 500 papers take some services from both AP and UPI.

But for all their success and their power, the wire services have their problems. Their cost of news gathering is rising in these times of frequent crises and far-flung wars. The two services spend more than \$1.3 million a year reporting on the war in Vietnam, where four of their photographers have been killed and 19 other staffers wounded. Yet the number of big-city papers, the major source of revenue for AP and UPI, is steadily declining. And the competition between the two services is so cut-throat that they have trouble raising their rates, though UPI has just raised its by 10% and AP plans an 11% rise next month.

"I don't know of two outfits more destructively devoted to the American principle of free-enterprise competition than AP and UPI," says Louis Cassels, a top UPI reporter with the title of senior editor. "Competition in news gathering drives expenses up, and competition in selling drives income down."

"Downholding" Expenses

The result is a cost squeeze that causes the services periodically to "downhold" expenses, as wire service men say in the parlance of their trade, by not filling vacancies and cutting corners in other ways. Despite the downhold, the AP, a cooperative owned by its newspaper members, increasingly has trouble breaking even. And UPI, 95% owned by E. W. Scripps Co. and 5% by Hearst Corp., has lost money every year since 1962. Lately there have been recurring rumors that UPI is for sale. Mims Thomason, UPI president and general manager, says the wire service recently received "fantastic" offers from two companies he won't name. But one rumored suitor says UPI approached it and was rebuffed.

The Associated Press spent \$57 million last year, about \$7 million more than UPI spent. AP has 3,100 full-time employees, more than half of them newsmen, and UPI has 2,400, most of them newsmen. The services claim that these reporters turn out 7.5 million words a day. This figure is open to dispute, however, because it includes separate counts for each story each time it goes out. Major stories go out on a dozen or so different state, national and international wires.

But however many words they produce, the wire service newsmen work hard and fast. As soon as Merriman Smith says "Thank you, Mr. President," he has to dash to a phone and dictate a comprehensive, lucid report on the wide-ranging press conference. It is, he says, "a nerve-wracking chore."

Mr. Smith's constant aim is to do a story better and faster than Frank Cormier, the AP White House correspondent, or whoever else is on the scene for AP. Sometimes it's more than a battle of words. In 1963, when President Kennedy was assassinated, Mr. Smith and the AP's Jack Bell were in the motorcade. At the sound of shots, Mr. Smith grabbed the car's radio-telephone and dictated a bulletin. Then, in the best wire service tradition, he ducked under the dashboard and kept the phone from a frantic and furious Mr. Bell. There are stories that Mr. Smith emerged bruised and battered by Mr. Bell, but Mr. Smith now denies this. Mr. Smith won a Pulitzer Prize for his coverage of the assassination.

The Ghost of 1918

UPI didn't look quite so good on the next Presidential trip to Dallas, on Feb. 27, 1967. That time, the UPI story—not by Mr. Smith—began:

DALLAS (UPI) — President Johnson made a sudden, swift trip to Dallas today, his first since the assassination of President John F. Kennedy on Nov. 22, 1963. He rode in a motorcade past the Schoolbook Depository Building from where Kennedy was shot to death and commented:

"It's good to be back."

The statement, actually made earlier on Mr. Johnson's arrival at the airport, caused gasps when it came over UPI tickers in newsrooms around the world. UPI rushed out a substitute lead eliminating the "unfortunate juxtaposition."

UPI has a reputation among critics in some newsrooms for inaccuracy and overexuberance. Its biggest goof occurred in 1918 when United Press, a predecessor of United Press International, reported the signing of the Armistice four days early. "We're still living down the premature Armistice," complains H. Roger Tatarian, UPI's vice president and editor. Indeed, some newspaper editors still are reluctant to run a UPI scoop until they see it confirmed on AP.

AP, conversely, got tabbed long ago with being dependable but stodgy. But some newspapermen say that this reputation is no more deserved than is UPI's. "Both services have tried to correct their weaknesses," says Mr. Pates of the San Francisco Chronicle.

Many editors quickly excuse stodginess and mistakes of fact from both services. They know reporting and writing under fire are difficult. And many newspaper managements have a reputation as pennypinchers that will put up with almost anything as long as it is inexpensive. "Most small papers don't seem to give a damn about the quality of wire service copy—as long as the price is kept low and they can get it delivered on tapes" from which type is set automatically, says Norman E. Isaacs, executive editor of the Louisville Courier-Journal and the Louisville Times.

The Louisville dailies, which Mr. Isaacs numbers among the 20 or so U.S. papers that aspire to be great and care what they print, used to take both AP and UPI, but they dropped UPI last June. "We decided to invest the savings in five or six top investigative reporters," says Mr. Isaacs. What's more, he says, the Louisville papers now take so many supplemental services that they no longer need both AP and UPI.

What's News in Akron

The supplemental services, which stress interpretation, analysis and background, are an increasing headache for the already troubled wire services. The three leading supplementals—operated by the New York Times, the Los Angeles Times jointly with the Washington Post, and the Chicago Daily News jointly with the Chicago Sun-Times—have 400 newspaper clients in the U.S. and 200 overseas.

The Beacon Journal, in Akron, Ohio, gets all three supplementals along with the AP wires, and executive editor and publisher Ben Maldenburgh says that he prefers "if at all possible" to publish no AP stories on the paper's front page. He says that the supplemental services, besides being more analytical go only to him and not to radio and TV stations in the area. "Why should I put out a newspaper that I can't do better than?" he asks.